# TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE

## FISCAL MEMORANDUM



HB 608 – SB 755

March 31, 2015

**SUMMARY OF ORIGINAL BILL:** Removes statutory guidelines on annexation by ordinance from the Tenn. Code Annotated. Removes statutory guidelines from the Tenn. Code Annotated for when a larger municipality would annex a smaller municipality.

FISCAL IMPACT OF ORIGINAL BILL:

#### **NOT SIGNIFICANT**

**SUMMARY OF AMENDMENT (005060):** Removes provision of bill that proposed deleting Tenn. Code. Ann. § 6-51-109. Adds language to the bill that proposes removing the language "by ordinance" from several sections of law concerning annexation. Clarifies that annexation is effectuated by resolution, rather than by ordinance, in Tenn. Code Ann. § 6-51-119(a).

#### FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

#### Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- The fiscal impact of this bill is not significant to state agencies; the bill is only relevant to local government entities.
- Annexation by ordinance currently requires a referendum; as a result, any local impact would be considered permissive.
- Based on information provided by the County Technical Assistance Service, the fiscal impact of this amended bill on local government is estimated to be not significant.

### **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

Jeffrey L. Spalding, Executive Director

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